

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

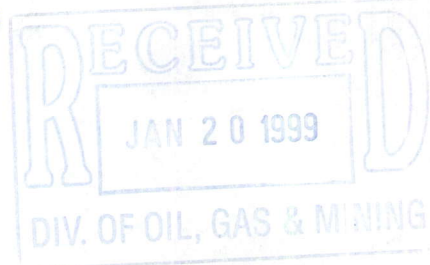
1594 West North Temple - Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291

Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/01/98 To (mo./yr.) 12/31/98
2. DOGM File Number (Mine No): S /045 /046
3. Mine Name: SI02 4&5 Quartzite Open Pit Mine
4. Mineral(s) Mined (or permitted to mine): Quartzite (high grade silica ore)
5. Type of mine ☐ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):  
Claim #4 NW 1/4, 1/4, 1/4, Section 28, Township T1N, Range 6W  
Claim #5 NW 1/4, NE 1/4, 1/4, Section 28, Township T1N, Range 6W  
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: McFarland and Hullinger
8. Permanent Street Address: 8960 North Highway 40  
City, State, Zip: Lake Point, UT 84074  
Phone: (435) 882-0103
9. Company Representative (or designated operator):  
Name: Sidney K. Hullinger  
Title: Chief Executive Officer  
Business Address: 8960 North Highway 40, P.O. Box 238  
City, State, Zip: Lake Point, UT 84074 Tooele, UT 84074  
Phone: (435) 882-0103  
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? \_\_\_\_\_
3. If yes - how much ore or mineral was mined? 119,991.15

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.  
This was a drilling and blasting operation with crushing  
completed on site. All work was completed within the  
established pit area.
5. How much **additional acreage** was disturbed during the past year? None
6. How much acreage was **reclaimed** during the past year? None
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.  
None
8. What is the **total disturbed acreage of entire project** at years end? Approx. 4.2 acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.  
Production should be similar to 1998. We are currently  
seeking a large mine permit. If approved will change pit  
design.

**NOTE:** Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

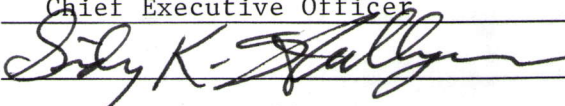
1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted. We are in process of asking for a large mine permit to accomodate future mining.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

**I hereby certify that the foregoing is true and correct.**

Name (Typed or Print): Sidney K. Hullinger

Title of Operator: Chief Executive Officer

Signature of Operator: 

Date: January 18, 1999

jb  
a:\forms\MR-AR

